

Local Development Finance Authority

Regular Meeting Agenda

Monday, April 11, 2016
4:00 p.m., Council Chambers



City of South Haven

1. Call to Order

2. Roll Call

Chairman Art Bolt, Thomas Erdmann, Eugen Gawreliuk, Mike Henry, Robert Herrera, Stephanie Timmer, Andy Klavins, Christine Valentine

3. Approval of Agenda

4. Approval of Minutes – December 14, 2015

5. Interested Citizens in the Audience Will be Heard on Items Not on the Agenda

6. Financial Report

7. Economic Development Report

8. 220 Aylworth – Bohn Building - Payment Request

9. 2016-2017 Budget

10. General Comments

11. Adjourn

RESPECTFULLY SUBMITTED,
Kate Hosier
Secretary, Brownfield Redevelopment Authority

South Haven city hall is barrier free and the city of South Haven will provide the necessary reasonable auxiliary aids and services for persons with disabilities, such as signers for the hearing impaired and audio tapes of printed materials being considered at the meeting to individuals with disabilities at the meeting upon seven (7) days notice to the South Haven City Hall.

Local Development Finance Authority

Regular Meeting Minutes

Monday, December 14, 2015
4:00 p.m., Council Chambers
South Haven City Hall



City of South Haven

1. Call to Order by Valentine at 4:07 p.m.

2. Roll Call

Present: Erdmann, Dotson, Gawreliuk, Henry, Schaffer, Timmer, Valentine

Absent: Bolt, Herrera, Klavins

Also present: Jack McCloughan, Economic Development Director; Brian Dissette, City Manager; Kate Hosier, Deputy City Clerk

3. Approval of Agenda

Motion by Dotson, second by Gawreliuk to approve the December 14, 2015 regular meeting agenda as presented.

All in favor. Motion carried.

4. Approval of Minutes – November 9, 2015 Regular Meeting

Motion by Timmer, second by Erdmann to approve the November 9, 2015 regular meeting minutes as written.

All in favor. Motion carried.

5. Interested Citizens in the Audience Will be Heard on Items Not on the Agenda

None at this time.

6. Financial Report

Dissette reviewed the financial report, noting the breakdown of LDFA 1, LDFA 2 and LDFA 3 and their fund balances.

Erdmann inquired whether the fairly substantial capital project in LDFA 1 is related to the Bohn property. Dissette responded that he will have to check VandenBosch's notes but believes the capital project is related to the Kalamazoo Street reconstruction.

Motion by Henry, second by Schaffer to approve the financial report as submitted.

All in favor. Motion carried.

7. Economic Development Report

Jack McCloughan, Economic Development Director, reported on recent economic development activities.

8. Overton Demolition Invoices

a. Overton Baseline Environmental Assessment Completion

Dissette noted we have four (4) invoices and one change order to consider, explaining that the change order was related to the demolition contractor finding a tunnel that contained asbestos related material which was covered so was unknown at the time of the bids being taken.

Valentine suggested that the invoices be considered individually.

1. Abonmarche/Eco Demolition: Application #2, in the amount of \$98,706.15

Motion by Henry, second by Dotson that invoice for Application #2 by Abonmarche/Eco Demolition in the amount of \$98,706.15 be approved.

All in favor. Motion carried.

2. Villa Environmental Consultants: Invoice #51630 dated November 25, 2015 for \$1,500.00 related to on-site final testing/final clearance review.

Motion by Henry, second by Erdmann to approve Invoice #51630 for \$1,500.00 by Villa Environmental Consultants.

All in favor. Motion carried.

3. Villa Environmental Consultants: Invoice #51631 dated November 25, 2015 for \$3,300.00 related to drum removal/PCB Cleanup/Asbestos Removal Specification and Management.

Motion by Dotson, second by Gawreliuk to approve the invoice #51631 by Villa Environmental for \$3,300.00.

All in favor. Motion carried.

4. Terra Contracting: Invoice #21113 dated November 17, 2015 for \$8,909.00 to remove/dispose of PCB oil and drum disposal.

Motion by Gawreliuk, second by Erdmann to approve Invoice #21113 by Terra Contracting for \$8,909.00

All in favor. Motion carried.

The board considered details of the change order for asbestos removal by Abonmarche/Eco Demolition, with disposal costs estimated at \$10,000 to \$15,000 depending on the volume of fill to be removed containing the material. Dissette recommended that a change order be authorized with a not to exceed amount of \$15,000.

Motion by Dotson, second by Erdmann to approve the change order for \$10,000 to \$15,000, not to exceed \$15,000, for removal and disposal to an approved land fill of transite panels containing asbestos.

All in favor. Motion carried.

9. General Comments

Henry requested an update on the demolition and environmental cleanup being done at the former Overton site. Dissette updated the board regarding the city taking possession without the costs of environmental cleanup being placed on the shoulders of the community. Underground cleanup has commenced. The contractors may move onto the site in early spring. As he knows more he will notify the entire board.

In response to a question from Valentine Dissette said Abonmarche has completed the survey of the Bohn property and there are substantial expenses for this board or a potential buyer to consider. Dissette noted the city has received an offer on the property contingent on some improvements and Dissette will be sitting down with Abonmarche and the potential buyers to go through the requested improvements and what they mean line by line.

Within the time of the survey being done there has been other interest in the property. Dissette noted the city will work to achieve a win-win situation with all parties.

Discussion ensued regarding the use, job numbers and related issues to which Dissette responded that the prospective buyers have indicated they intend to do light manufacturing at some point.

There was discussion regarding the offer including water, sewer and six hundred (600) amp service being contingencies. Valentine said the money is important, but job creation is more important for the purpose of this board. Dissette has already told them that the board is willing for flexibility on price along with a clear vision for the site. Erdmann encouraged thinking about the potential for employment with all prospective buyers.

Valentine asked if there were any other questions or comments.

Dotson: Noted that he has resigned from the South Haven Board of Education and will be taking a position with the Village of Blissfield; expressed his appreciation for the commitment of these boards; the benefit to him from this experience and noted that it has been a privilege to work with the board members, City Manager Dissette and Economic Director Jack McCloughan. Congratulations were extended by the board members.

10. Adjourn

Motion by Erdmann, second by Dotson to adjourn at 4:30 p.m.

December 14, 2015
LDFA
Regular Meeting Minutes
DRAFT

All in favor. Motion carried.

RESPECTFULLY SUBMITTED,

Marsha Ransom
Recording Secretary

City of South Haven
Local Development Finance Authority
For the period ended March 31, 2016

	LDFA #1	LDFA #2	LDFA #3
Revenues			
Property Tax Captures	204,552	34,822	55,349
Interest Income	1,922	1,563	5,519
Land Sales			-
Other Revenue State PPT reimb	-	-	-
Other Transfers In	-	-	-
Total Revenue	206,474	36,385	60,868
Expenditures			
Economic Liaison	11,475	12,623	14,170
Administrative Costs	-	-	-
Professional Fees	6,947	-	-
Contractual Services	16	-	1,089
Capital Projects	88,265	-	-
General Fund Administration	-	22,500	26,250
Transfer to Building Authority Debt Service	-	9,738	-
MEDC Loan Payments			20,406
Transfer to St. Joe Project Debt Service	90,000	-	-
Other Transfers Out	-	-	-
Total Expenditures	196,703	44,861	61,915
Year-to-Date Fund Gain/(Loss)	9,770	(8,476)	(1,047)

Cash and Investments

Cash	225,875	37,934	69,656
Certificates of Deposit	262,850	-	
Other Financial Investments	290,098	123,701	486,631
Total	778,823	161,634	556,287

Land Assets - 345 Kalamazoo St	5.19 acres	\$ 46,710	Mkt Value per assessor
Land Assets - 1391 Kalamazoo St	1.54 acres	\$ 36,729	Mkt Value per assessor
220 Aylworth Ave	13.22 acres	\$ 118,980	Mkt Value per assessor
1280 Kalamazoo St.	3.48 acres	\$ 31,320	Mkt Value per assessor

LDFA Debt Obligations

St. Joe Projects Bonds - Final Maturity - May 2027	\$120,000/Year		
DPW Relocation Bonds - Final Maturity - Nov. 2021		\$13,990 Average/Year	
MEDC Loan -0% Interest - Final Payment - April 2016			\$27,208/Year

Bohn Building Study Report
Final Application for Payment
Summary Description
March 8, 2016

Outstanding application for payment is for balance of payment due. Study was completed and submitted to the City Manager on February 4, 2016. Study included consultants for roofing inspection, heating and ventilation, weatherization of building's fire suppression system, and environmental consultant for testing/sampling interior for mold and lead. Study summarized building deficiencies and probable costs to correct.

Information in study to be shared with a potential buyer of the property.



Engineering
 Architecture
 Land Surveying
 Marina/Waterfront
 Community Planning
 Landscape Architecture
 Development Services

CITY OF SOUTH HAVEN

Attn: Brian Dissette
 539 Phoenix Street
 South Haven, MI 49090-1499

INVOICE

No. 113310
 02/15/2016

15-0851 220 Alyworth - Bohn Building

JMS Project Manager: Jeffrey M. Saylor

Original Study 100% Complete
 Amount Due: \$ 186.75

Additional Study Assessment 100% Complete
 Amount Due: \$ 7,750.00

(Original Fee Amount: \$ 2,200.00)
 (Original Fee Previously Billed: \$ 2,013.25)
 (Original Fee this Invoice: \$ 186.75)
 (Original Fee Remaining: \$ 0.00)

(Additional Study Assessment Fee: \$ 7,750.00)
 (Additional Fee Previously Billed: \$ 0.00)
 (Additional Fee this Invoice: \$ 7,750.00)
 (Additional Fee Remaining: \$ 0.00)

Invoice Amount

\$7,936.75

All invoices are due upon receipt. After 30 days, interest of 1.5% per month will be added to any unpaid balance.

If, upon receipt of an invoice from Abonmarche, the client has any questions, or if there are any discrepancies in the invoice, the Client shall identify the issue in writing within ten (10) days of its receipt. If no written objection is made within the ten (10) day period, any such objection shall be deemed waived.

Please remit to **Abonmarche Consultants, Inc.**
PO Box 1088
Benton Harbor, MI 49023

95 West Main Street
 Benton Harbor, MI 49022
 269.927.2295
 Fax 269.927.4639

361 First Street
 Manistee, MI 49660
 231.723.1198
 Fax 231.723.1194

503 Quaker Street
 South Haven, MI 49090
 269.637.1293
 Fax 269.927.1017

750 Lincoln Way East
 South Bend, IN 46601
 574.232.8700
 Fax 574.251.4440

3177 Willowcreek Road
 Portage, IN 46368
 219.850.4624
 Fax 219.850.4625



Engineering
 Architecture
 Land Surveying
 Marina/Waterfront
 Community Planning
 Landscape Architecture
 Development Services

CITY OF SOUTH HAVEN

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**REMITTANCE
 COPY**

95 West Main Street
 Benton Harbor, MI 49022
 269.927.2295
 Fax 269.927.4639

361 First Street
 Manistee, MI 49660
 231.723.1198
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 South Bend, IN 46601
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 Fax 574.251.4440

3177 Willowcreek Road
 Portage, IN 46368
 219.850.4624
 Fax 219.850.4625

www.abonmarche.com

Linked Invoice Transactions - Abonmarche Consultants, Inc.

Invoice No.: 113310

Invoice Date: 2/15/2016

Transaction ID: 72118

Transaction	Employee/Vendor	Labor/Expense Code	Date	Markup	Effort
15-0851.100 Preliminary Study					
		Professional Services		\$	186.75
15-0851.101 Additional Services					
		Professional Services		\$	2,920.00
15-0851.960 Outside Services					
Total Fire Protection				\$	862.50
Future Construction of SWMI, Inc.				\$	287.50
BDN				\$	3,680.00
		Total Purchases		\$	4,830.00
Total for Invoice No. 113310				\$	7,936.75

251-901-974-000-0194	SANITARY WORK	0.00	0.00	100,000.00	88,265.00	100,000.00	0.00
251-901-974-001	AYLWORTH AVE	0.00	0.00	0.00	0.00	0.00	0.00
251-901-974-004	LOVEJOY-KAZOO PROJECT	0.00	0.00	0.00	0.00	0.00	0.00

Total Appropriations:		67,483.00	19,176.78	177,140.00	106,703.38	177,140.00	17,199.45
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DEPT 965 OPERATING TRANSFERS OUT

GL Number	Description	2014-15 Amended Budget	2014-15 Activity	03/31/2016 Amended Budget	YTD As Of 03/31/2016	2015-16 Projected	2016-17 REQUESTED
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Fund 251

--- Appropriations ---

251-965-999-101	OPER TRANS OUT-GENERAL	0.00	0.00	0.00	0.00	0.00	0.00
251-965-999-202	OPER TRANS OUT-MAJOR	0.00	0.00	0.00	0.00	0.00	0.00
251-965-999-203	OPER TRANS OUT-LOCAL	0.00	0.00	0.00	0.00	0.00	0.00
251-965-999-204	OPER TRANS OUT-STREET FUND	0.00	0.00	0.00	0.00	0.00	0.00
251-965-999-371	OPER TRANS OUT-2003 CAP BOND	120,000.00	120,000.00	120,000.00	90,000.00	120,000.00	120,000.00
251-965-999-401	OPER TRANS OUT-CAPITAL PROJ	0.00	0.00	0.00	0.00	0.00	0.00
251-965-999-582	OPER TRANS OUT - ELECTRIC FUND	0.00	0.00	0.00	0.00	0.00	0.00
251-965-999-592	OPER TRANS OUT-SEWER	0.00	0.00	0.00	0.00	0.00	0.00

Total Appropriations:		120,000.00	120,000.00	120,000.00	90,000.00	120,000.00	120,000.00
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REVENUES	205,271.00	211,179.83	179,848.00	206,473.81	179,848.00	221,165.00
EXPENDITURES	187,483.00	139,176.78	297,140.00	196,703.38	297,140.00	137,199.45
FUND NET	17,788.00	72,003.05	(117,292.00)	9,770.43	(117,292.00)	83,965.55
FUND BALANCE		469,998.97			352,706.97	436,672.52

DEPT 000 REVENUES LDFA #2 FUND

GL Number	Description	2014-15 Amended Budget	2014-15 Activity	03/31/2016 Amended Budget	YTD As Of 03/31/2016	2015-16 Projected	2016-17 REQUESTED
Fund 252							
--- Estimated Revenue ---							
252-000-402-000	CURRENT REAL PROPERTY TAXES	10,994.00	10,993.63	11,309.00	11,566.42	11,309.00	13,082.00
252-000-410-000	PERSONAL PROPERTY TAXES	16,141.00	16,183.72	23,427.00	23,255.09	23,427.00	411.00
252-000-573-000	L C S A SHARE APPROPRIATION	0.00	0.00	0.00	0.00	0.00	16,488.00
252-000-665-000	INTEREST INCOME	2,000.00	618.80	2,000.00	1,563.04	2,000.00	2,000.00
252-000-665-252	MARKET VALUE ADJUSTMENTS	0.00	(3,360.53)	0.00	0.00	0.00	0.00
252-000-678-001	OTHER REIMBURSEMENTS	2,435.00	2,434.57	0.00	0.00	0.00	0.00
Total Estimated Revenue:		31,570.00	26,870.19	36,736.00	36,384.55	36,736.00	31,981.00

DEPT 901 INDUSTRIAL DEVELOPMENT

GL Number	Description	2014-15 Amended Budget	2014-15 Activity	03/31/2016 Amended Budget	YTD As Of 03/31/2016	2015-16 Projected	2016-17 REQUESTED
Fund 252							
--- Appropriations ---							
252-901-704-000	SALARIES & WAGES - PART-TIME	16,000.00	14,792.61	14,734.00	10,574.34	14,734.00	15,327.55
252-901-710-000	HEALTH/DENTAL INSURANCE	0.00	0.00	0.00	127.18	0.00	263.23
252-901-710-001	PAYMENT IN LIEU OF INSURANCE	0.00	0.00	0.00	896.70	0.00	1,630.33
252-901-712-000	WORKERS COMPENSATION	0.00	43.28	44.00	58.00	44.00	141.00
252-901-713-000	PAYROLL TAXES	2,000.00	1,131.67	1,127.00	877.52	1,127.00	1,305.63
252-901-713-001	UNEMPLOYMENT COMPENSATION	172.00	143.26	143.00	88.79	143.00	88.80
252-901-801-000	PROFESSIONAL/CONSULTING FEES	0.00	0.00	0.00	0.00	0.00	0.00
252-901-802-000	OTHER CONTRACTUAL SERVICES	0.00	0.00	0.00	0.00	0.00	0.00
252-901-974-000	CAPITAL PROJECTS	0.00	0.00	0.00	0.00	0.00	0.00
Total Appropriations:		18,172.00	16,110.82	16,048.00	12,622.53	16,048.00	18,756.54

DEPT 965 OPERATING TRANSFERS OUT

GL Number	Description	2014-15 Amended Budget	2014-15 Activity	03/31/2016 Amended Budget	YTD As Of 03/31/2016	2015-16 Projected	2016-17 REQUESTED
Fund 252							
--- Appropriations ---							
252-965-999-101	OPER TRANS OUT - GENERAL	20,000.00	20,000.00	30,000.00	22,500.00	30,000.00	30,000.00
252-965-999-370	OPER TRANS OUT- BLDG AUTH #2	12,946.00	12,946.00	12,984.00	9,738.00	12,984.00	12,989.00
Total Appropriations:		32,946.00	32,946.00	42,984.00	32,238.00	42,984.00	42,989.00

REVENUES	31,570.00	26,870.19	36,736.00	36,384.55	36,736.00	31,981.00
EXPENDITURES	51,118.00	49,056.82	59,032.00	44,860.53	59,032.00	61,745.54
FUND NET	(19,548.00)	(22,186.63)	(22,296.00)	(8,475.98)	(22,296.00)	(29,764.54)
FUND BALANCE		170,411.29			148,115.29	118,350.75

DEPT 000 REVENUES LDFA #3 FUND

GL Number	Description	2014-15 Amended Budget	2014-15 Activity	03/31/2016 Amended Budget	YTD As Of 03/31/2016	2015-16 Projected	2016-17 REQUESTED
Fund 253							
--- Estimated Revenue ---							
253-000-402-000	CURRENT REAL PROPERTY TAXES	42,050.00	42,050.33	39,918.00	40,016.76	39,918.00	40,873.00
253-000-410-000	PERSONAL PROPERTY TAXES	14,995.00	14,994.77	12,689.00	12,720.28	12,689.00	7,514.00
253-000-573-000	L C S A SHARE APPROPRIATION	0.00	0.00	0.00	2,611.69	0.00	7,824.00
253-000-665-000	INTEREST INCOME	2,000.00	5,556.82	5,000.00	5,519.12	5,000.00	5,000.00
253-000-665-253	MARKET VALUE ADJUSTMENTS	0.00	(5,543.31)	0.00	0.00	0.00	0.00
253-000-673-001	SALE OF LAND	0.00	0.00	0.00	0.00	0.00	0.00
253-000-678-001	OTHER REIMBURSEMENTS	369.00	368.51	0.00	0.00	0.00	0.00
253-000-690-000	SUNDRY-MISC OPERATING REVENUE	0.00	0.00	0.00	0.00	0.00	0.00
253-000-698-000	LOAN PROCEEDS	0.00	0.00	0.00	0.00	0.00	0.00
Total Estimated Revenue:		59,414.00	57,427.12	57,607.00	60,867.85	57,607.00	61,211.00

DEPT 901 INDUSTRIAL DEVELOPMENT

GL Number	Description	2014-15 Amended Budget	2014-15 Activity	03/31/2016 Amended Budget	YTD As Of 03/31/2016	2015-16 Projected	2016-17 REQUESTED
Fund 253							
--- Appropriations ---							
253-901-704-000	SALARIES & WAGES - PART-TIME	16,759.00	16,585.59	16,520.00	11,856.02	16,520.00	17,185.44
253-901-710-000	HEALTH/DENTAL INSURANCE	0.00	0.00	0.00	142.67	0.00	295.14
253-901-710-001	PAYMENT IN LIEU OF INSURANCE	0.00	0.00	0.00	1,005.41	0.00	2,010.74
253-901-712-000	WORKERS COMPENSATION	0.00	49.57	50.00	65.03	50.00	158.00
253-901-713-000	PAYROLL TAXES	1,263.00	1,268.72	1,264.00	983.88	1,264.00	1,463.89
253-901-713-001	UNEMPLOYMENT COMPENSATION	193.00	160.63	161.00	99.59	161.00	99.57
253-901-727-000	OFFICE SUPPLIES	0.00	0.00	0.00	17.00	0.00	0.00
253-901-802-000	OTHER CONTRACTUAL SERVICES	500.00	0.00	0.00	1,088.85	0.00	0.00
253-901-860-000	TRAVEL/CONFERENCES/TRAINING	500.00	17.50	0.00	0.00	0.00	0.00
253-901-958-000	SUBSCRIPTIONS/MEMBERSHIPS	0.00	189.00	0.00	0.00	0.00	0.00
253-901-974-000	CAPITAL PROJECTS	0.00	0.00	100,000.00	0.00	100,000.00	0.00
253-901-974-002	WATER TANK - GRANT PROJECT	75,000.00	2,800.00	0.00	0.00	0.00	0.00
Total Appropriations:		94,215.00	21,071.01	117,995.00	15,258.45	117,995.00	21,212.78

DEPT 905 DEBT SERVICE

GL Number	Description	2014-15 Amended Budget	2014-15 Activity	03/31/2016 Amended Budget	YTD As Of 03/31/2016	2015-16 Projected	2016-17 REQUESTED
Fund 253							
--- Appropriations ---							
253-905-991-001	PRIN DEBT - MEDC LOAN	27,208.00	27,208.36	27,208.00	20,406.31	27,208.00	0.00
Total Appropriations:		27,208.00	27,208.36	27,208.00	20,406.31	27,208.00	0.00

DEPT 965 OPERATING TRANSFERS OUT

GL Number	Description	2014-15 Amended Budget	2014-15 Activity	03/31/2016 Amended Budget	YTD As Of 03/31/2016	2015-16 Projected	2016-17 REQUESTED
Fund 253							
--- Appropriations ---							
253-965-999-101	OPER TRANS OUT - GENERAL	5,000.00	5,000.00	35,000.00	26,250.03	35,000.00	35,000.00
Total Appropriations:		5,000.00	5,000.00	35,000.00	26,250.03	35,000.00	35,000.00
	REVENUES	59,414.00	57,427.12	57,607.00	60,867.85	57,607.00	61,211.00
	EXPENDITURES	126,423.00	53,279.37	180,203.00	61,914.79	180,203.00	56,212.78
	FUND NET	(67,009.00)	4,147.75	(122,596.00)	(1,046.94)	(122,596.00)	4,998.22
	FUND BALANCE		558,790.39			436,194.39	441,192.61